

## Price Control

The government has held two high-level meetings on the price situation within less than a month of each other. We welcome the seriousness to checkmate a price spiral which looks like a possibility in view of the approaching month of Ramadan and prospects for intensified political unrest. As far as the outlook on the market goes, rice prices have already soared.

The instant outcome of the review meets has ended up being exhortative and informative, the first one having urged the tradesmen to hold down the price-line during the month of fasting and the second revealed the food stock position. The latter also shed light on replenishment of the stocks and the off take or distribution pattern to be followed.

Our suggestion is for some contingency measures hammered out in consultation with the trading circles and the service sector leaders including the transport owners and operators.

The government seems confident that when it starts releasing cereals from its godown under the food-for-works programme and for the primary school students under a special scheme, the current price pressure on rice will be eased substantially. For quite sometime now, the government has relaxed its food procurement drive in favour of greater private importation of food-grains. To encourage wheat and rice import it has reduced the customs duty from 15 per cent to 7.5 per cent. Our point is as the government begins releasing food-grains to the people it must be cautious not to hurt private dealing in food.

The local surpluses, privately imported food staff and the governmental off takes must blend in the right proportions on the market place, with two aims in view: not to create any price anarchy and deny the growers of their remunerative prices.

Stable foodgrain prices over a very long time have induced the traders, without any social commitment, to do autonomous speculating in certain non-rice items of daily necessity.

For instance, edible oil importers have served a notice that their prices will increase based on what they perceive to be high procurement costs and the local duty structure. Our question is: How do you account for not reflecting a price decrease in keeping with the duty rebates the current budget provided for you a long time ago?

## This Judicial Pile-up

The magistracy of the land had some 4 lakh suits to dispose of during the year now going out. Of them 2.38 lakh haven't been duly concluded, spilling this unmanageable huge number of suits on to what would be filed in the new year. The new cases would easily be in the area of 2 lakh-plus. That would mean in 1995 the magistracy will have roughly 4.5 lakh cases to deal with. And their highest capacity in the matter is a little less than 2 lakh cases. It is plain that instead of steadily cutting down on the arrears spill-overs, the cases are accumulating in an ever-growing number.

As an example of serious inefficiency in vital sectors of governance, the judiciary pile-up is an old story. The government, in fact all of the successive governments since the 1947 partition of the subcontinent, has shown little eagerness to effectively negate this process of progressive pile-up. For obvious reasons. The cause of meting out justice at the base level of magistracy does not directly contribute to the perpetuation of the power of the incumbent government. The cause of justice at the broadest base of society has been allowed to go by default over the better part of a century.

This is unacceptable. The successive governments have done immeasurable harm to the society and the state by their obsessive hankering after power. This shall have to change.

Better said than done. Another report has it that 210 cabinet decisions taken at various times of '94 have not yet been implemented. Political instability is hurting the working of the government very badly. The government, on their life, should be interested in seeing these decisions executed. But the sluggish tempo cannot be geared up by any artificial pep-up. The question of diminishing the judicial pile-up is a lost case at least for days to come.

## Hason Raja

The Nineteenth Century mothered civilisation's most resplendent array of attainments in science and arts that blossomed in the next century. That was a golden-wombed time also for the genius of the Bengalee people. Bankim accompanied by Rajendralal Mitra and followed by Haraprasad and Jagadish Chandra filled up that century paving the subcontinent's entry into the modernism of the 20th. It is particularly interesting to note that midway through the nineteenth Hason Raja and Rabindranath were born and Lalun was in his prime. A Lalun closely followed by a Hason eloquently speaks of the presence of a very big band of savants, equally excelling in music and spirituality. One major difference between these great men of mystic attainment and nonpareil artistry and Rabindranath is that the former designated an end to an epoch spanning perhaps more than a millennium and the latter signified the beginning of a new era extending up to no one knows what point of time. The three together constitute a particularly high point of the culture of Bengal. The devotional songs of Rabindranath — the numbers forming the so-called *Puja parjay* — are but urbane expressions of what Lalun had already felt, found and formulated and Hason was giving form to in parallel time. Even the idioms strike one with their incredible affinity.

That a mendicant, Lalun to wit, would rise to the heights attained by a modern genius in his searchings of the innermost being is a wondrous event distinguishing Bengali culture. But for a blue-blooded feudalist, Hason Raja by name, to antedate Tagore and strum up the same sentiments as Tagore's is possibly an event of greater wonderment. This is especially so because Hason, to do this, had to purge himself wholly of his feudal pride and power — which was so dear to him — and bring down his soul to the Lalun stance of treating all material possession as no better than specks of dust.

It is not only in their renunciation of material desire and denunciation of man-made barriers between man and man that the three shed an everglowing light on the Bengal psyche. The three also positively upheld whatever positively constitute humanity — in the formulation of the French Revolution, liberte, egalite, fraternite.

On Thursday the nation observed the 138th birth anniversary of Dewan Hason Raja.

# Asian Clearing Union: To be or Not to be Any More?

by Abdul Bayes

**In certain quarters there is a growing feeling that since the ACU originated in the wake of hard currency shortages and foreign exchange control in the member countries, it has already outlived its utility with heaving reserves and easing foreign exchange regulations in those countries.**

In promoting foreign trade and economic growth, the importance of regional cooperation is amply documented in current economic literature. A large number of regional and sub-regional groupings are already in existence or some others are in the offing. However, among them the formation of clearing and payments arrangements have been the early forms of integration. Some of these arrangements have been linked to credit institutions so as to support mutual and global payment imbalances of member countries, while other regional arrangements have also allowed export credit facilities.

The main objectives of payments and clearing arrangements are to settle payments among the participating countries in a region without using scarce hard currencies and to provide interim credit facilities to meet regional imbalances. Such arrangements, thus, avoid the use of convertible currencies for settlement during specified period. Hard currencies are used only to offset net balances after the specified period.

## The ACU

The Asian Clearing Union (ACU) was formally launched in 1974 following the initiatives of ESCAP (the then ECAFE). The original membership embraced Bangladesh, India, Nepal, Iran, Pakistan, and Sri Lanka. The membership rose to seven when Burma joined in 1977. The headquarters of ACU is located in Tehran.

possibly because Iran was the only country with balance of payments surplus at the time of initiation. The major objectives of the union, as documented, are: (i) to provide the use of participants' currencies in current transactions between their respective territories and thereby effect economies in the use of the participants' exchange reserves; (ii) to provide closer monetary cooperation among participants and (iii) to provide for currency SWAP arrangements among member countries so as to make Asian Monetary Units available to them temporarily. In terms of Article III, participation in the ACU is open to all central banks in the region and as per Article IV, a common unit of account known as the Asian Monetary Unit (AMU=One SDR) is to be used for accounting purposes.

## Impact Assessment

Various studies relating to the present status and the future possibilities of the ACU tend to reveal that since its inception, the provisions of ACU facilities had been having positive impacts on trade and payments in the region. It is reported that rapid growth of transactions operated through ACU was observed during 1988-91 with the share of transactions increasing from

58 per cent in 1985 to 77 per cent in 1991. In 1991, for example, Iran was the net creditor and Bangladesh and Sri Lanka emerged as net debtors. Other member countries were marginal surplus or deficit. Following the commencement of the ACU, intra-regional trade is said to have expanded in line with the expansion of clearing facilities. It is, however, argued that the successes of the ACU operations could hardly be called satisfactory and more could be achieved provided that the ACU hewed appropriate lines. The major constraints are alleged to be: (i) delay in payments exacerbated by complicated procedures; (ii) short period of settlements spanning over only two months; (iii) exclusion of tourism or travels in the settlement; (iv) informal border trade constitutes the bulk of trade between India and Bangladesh, India and Pakistan and also between India and Nepal so much so that such huge transactions tend to remain outside the domain of the ACU or any other forum etc.

## To be or Not to be?

In certain quarters there is a growing feeling that since the ACU originated in the wake of hard currency shortages and foreign exchange control in the member countries, it has already outlived its

utility with heaving reserves and easing foreign exchange regulations in those countries. More specifically, this school of thought tends to argue that the current account convertibility, trade liberalization and growth of reserves in many of the member countries seem to have reduced the ACU to a state of redundancy. On the other side of the fence, however, resides another view which appears to see ACU with importance in the years to come. This school of thought posits the following arguments in favour of continuing with ACU after necessary adjustments.

The pro-ACU lobby puts the following arguments: (a) the huge reserves now in evidence in member countries could quickly dwindle with respect to economies taking off the ground as envisaged by many of the countries; (ii) capital inflows that constitute a part of the reserves are erratic, a portion of them are like flood waters that comes fast and goes fast and thus puts the sustainability of reserves into question; (iii) the demise of ACU might increase dependency on outside and (iv) convertibility syndrome is yet to take deep roots in member countries with foreign exchange markets gripped by occasional volatility. Therefore, according to them,

these uncertain situations should forbid a foreclosure of the ACU.

## Survival Strategy

Given that the ACU still has got relevance even in the changed contexts, what could make it relatively more worthwhile and productive? A number of suggestions can be put up to strengthen the ACU modalities and operations. These are: (1) the settlement period should be extended to about two years which would obviously benefit weaker economies in the region; (2) independent of (1), surplus countries should extend suitable lines of credit to the deficit countries; (3) ACU needs to cover the total current account transactions including travels; (4) trade enhancing elements should be incorporated including a linkage with the ASEAN and (5) ACU modalities should be streamlined with a view to making transactions more handy and transparent.

The need for an export financing scheme at regional level needs to be highlighted. It is sometimes pointed out that although short term financing is not a major problem, medium and long term financing do pose severe problems in some countries there are EXIM banks (but of little use to the small ex-

ports); while others do not have such banks. The establishment of regional EXIM bank should enhance trade frontiers and thus raise the share of intra-regional trade to a respectable height.

With a view to reaping benefits from monetary co-operation in the region, Finance, Commerce or Planning Ministers should get together once in a year and the summit should be institutionalized. They can exchange monetary, fiscal and reform policies with each other and try to arrive at some harmonious policy arrangements. Similarly Central Bank Governors could sit together biannually and trade respective experiences with a view to fostering common policy elements.

## Commitment is the Horse

All the above mentioned steps would require strong political commitments from the leaders of the member countries. Bi-lateral discontents, to some extent, stand in the way towards co-operative movements and therefore, necessary arrangements are needed to be afoot to maximize the objective function. The degree of progress of the SAARC activities and the dilly-dally with SAPTA, ironically, speak very little of the regional co-operation that would usher a new era in this region. But even then, let us hope for the best.

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# Second Guessing the Caretaker

by Hubert Francis Sarkar

**Is election the only concern of the people of Bangladesh? Will election in itself bestow on the people the era of the Golden Bengal? And, are the messengers of pluralism in democracy practise democracy and pluralism even amongst themselves?**

In claiming ownership of the public institutions, the role of the Parliament is defined and the MPs have come from the people and they have been elected on the basis of their merits and manifesto judged absolutely by the people to act for the people, and certainly not to betray the people; they have been elected by the majority and not by the minority, under the terms and conditions.

Then if the MPs have come from the people, they are just but our people; so if any group or groups try to snatch away their rights, they can sue all those elements who are trying to snatch away their given power and position as per their fundamental right. Again if the Parliament is for the people, if anybody tries to disobey people's mandate, he/she should be subject to the judiciary, albeit, under the stated frame of reference. Therefore, even to raise the demand for a dialogue between the political parties and hence spend time and money just only for deciding the constitutionality of any

thing outside the Parliament should have to cross all litmus tests of not only the justifiability but also the mutual congruity.

Those among the people elected to the Parliament must not pretend that they are giving honorary service; petty personal or even party interests are also subjudice, however imperfect that jurisdiction may resemble under the stated jurisprudence. The conflict of interests may arise and it is the duty of the deviant parliamentarians to rectify their position and comply with the popular mandate and not to resort to fallacious arguments while committing folly this way or another.

Furthermore, if the Parliament has been made non-functional/extra-judicial or despotic, it is the responsibility of the incumbents to shoulder the blame and to venture onto sweeping house-cleaning job; in the case of intentional evasion of this, they should be made accountable and answerable to the people; they should keep in mind that

they have come to this or that position either through election or co-option, and not just only for second-guessing the hitherto pre-eminent Constitution. Even though they may make a request for alterations in the Constitution while presiding in the Parliament and raise a demand while in the street, they can do so only as the ordinary citizens, never as the monopolist of the popular favour; and, they should never claim themselves more equals than the others. They must be equal to the people; otherwise, they should not contest as people's representatives.

Now, if somebody finds double-speak in the aforesaid, he or she must consider all the major national events and upheavals, their prelude, interlude and the after-lude. Whether in ousting a despot and/or tiding over the demagogue master-plans or immersing in jubilation after the dark days, one may detect some minor and major lapses done individually and/or collectively.

We should not hesitate to admit this truth, even if we are under threat from this or that quarter, for

i) in martyrdom we have purified ourselves in the past and

ii) in recognition of that supreme obligation, we are trying to find our very own identity and

iii) we are emboldened by the resolve thereupon that we shall overcome the impediments.

The lapses are showing here: either in shooing off the poor and the down-trodden ubiquitously and/or even when they have made alarm-calls; or, forgetting the little Cinderella, the Cassandra and absolutely the people, as quickly as the pink begins to gleam with the pink throne. All these are just but the aftermath of self-destruction after denying the drawbacks in the despotisms and thence the virtual cloistering of the entity.

Ultimately, the 3 questions are:

Is election the only concern of the people of Bangladesh? Will election in itself bestow on the people the era of the Golden Bengal? And, are the messengers of pluralism in democracy practise democracy and pluralism even amongst themselves?

Of course, we should support elected representatives in the people's institutions; but,

it should be kept uppermost in the mind that it is not the be all and the end all. Perhaps we may ask the elected representatives to make a self-scrutiny themselves whether they have the intent and the potentialities to resolve the long-standing troubles and tribulations of the people? Whether they have incompabilities to translate all those written and chanted according to the manifesto they have declared to be their own? Before they ask for election, shouldn't the candidates give the grassroots people the opportunity to elect representatives as and to be candidates and then shouldn't they project their activities to be judged by the masses?

We must remember that the intent of the politicians, as described by Machiavelli and others of the same ilk, is to establish his/her dominant position amongst the populace and he is supposed to apply all sorts of hoodwinking and hoodlumery to usurp the power-bastion. Have we seen exceptions in the contemporary times and where? Even if we have exceptions, how far manifest are they in their quest for liberty and democracy? Is democracy allowed to flourish as a viable option even amongst the coteries and the organisations?

Perhaps, we must regret: perhaps, we shall get all the answers in the negative.

And, hence crying wolf for a caretaker government and vowing to derail the Parliament and stop the government will end as a futile exercise. How long should the people see and endure this disservice? Perhaps, now is the opportunity to bid farewell to all nihilistic pursuits.

## To the Editor...

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts. Pseudonyms are accepted. However, all communications must bear the writer's real name, signature and address.

## Reforming the medical profession

Sir, All the past governments — the present one included — have backed away from the urgent need to reform the medical profession whose quality and reputation at home and abroad have plummeted. Threat of the doctors going on strike and the thought of the front page news of deaths at the hospitals due to strikes are too much for the weak stomach of this country to bear.

After a fortnight of strike by the doctors and the few reported deaths for lack of medical help at the hospitals, people are beginning to question whether it is good value for the tax payers' money to run the hospitals and to provide employment to the doctors so that they can conduct private practice at the cost of the general public. Patients who could not afford private treatment at home or abroad have died before when the doctors were not on strike and the surviving relations had no recourse available other than to accept this grave reality.

BMA have held hostage the comparatively less well off members of the general public who cannot afford private treatment. Instead of being a self-regulated body to promote as well as discipline their members for their criminal negligence, wrong treatment, absence from the workplace, etc. it is conducting its affairs in the self-same manner. The government should bring about some reforms in the medical profession because neither the government nor the general public should suffer anymore due to a faulty system. The steps written below can be

thought of:

- Prohibition on private practice by the doctors who hold a full-time government service.
- Prohibiting the use of professional titles such as 'professor' after they retire. Let the doctors sell their services as medical practitioners and not as 'professors' who teach.
- Handing over inefficient government hospitals to private ownership and management through international tenders.

Understandably, the strike will then be prolonged, a few doctors will resign and a few more feathers will be unruffled but it is not better to die only once rather than die a little everyday?

At present, we can ill afford the money wasted on our hospitals and the huge foreign exchange spent by the reasonably well offs on treatment abroad. Persuading foreign companies to run hospitals might provide better medical services, and also bring in some useful foreign currency.

Doctors do have a lot of genuine reasons to be agitated but the fact that the government had taken disciplinary actions against those doctors who abandoned their duty without leave cannot be one of them.

A sufferer  
Paribagh, Dhaka.

## Point of concern

Sir, The newly built Essa Khan Rajmomi hotel in the very heart of the city is undoubtedly a well designed hotel with roof-top car parking and a nice shopping arcade but the saddest part about it is that it dis-

gracefully does not prohibit free movement of seemingly floating prostitutes in the very entrance of the hotel which is barely couple of feet away from the Wills Little Flower School, the Kakrall Mosque and is right in the centre of Purana Paltan intersection.

I am not particularly in favour of snatching anyone's bread but considering the hotel's surroundings, I suppose the hotel owner/owners should look into the matter and do something about it. Otherwise, that spot may even turn into a pickup point similar to the ones in Bangkok and Seoul.

Moinuddin  
Dhaka.

## JICA

Sir, The Japan International Cooperation Agency (JICA), Bangladesh Office has recently celebrated its 20th founding anniversary. The JICA was established on August 01, 1974 through a law passed by the Diet (Japan's parliament) earlier on May 31. Since then JICA has been a great partner in progress of Bangladesh.

On the occasion of the 20th anniversary JICA had arranged an exhibition of their projects in Bangladesh. While visiting the various stalls this writer had talks with some JICA consultants and officials. They informed that there is a great scope for fruit and vegetable processing industry in Bangladesh. Under the JICA technical cooperation some mango juice producing and other fruits processing industries have been set up in this country. But the price of fruit and vegetable products is still too high. Of course as they feel, if the government encourages setting up of more fruit/vegetable processing industries and if the private entrepreneurs come forward to invest in this sector, then there will be competition which will in turn help in improving the quality of the products and the

price will also come down.

Meanwhile we are grateful to Japan ODA, JICA for their active cooperation and participation in the development process of Bangladesh. We sincerely hope that Japan will continue to act as a close partner to our national progress. At the same time I would request our government to remove all the problems and help JICA to undertake more development projects in Bangladesh.

M Zahidul Haque  
Asstt Prof. IAL,  
Dhaka.

## Promotion in banks

Sir, It seems that something is somewhere grossly wrong in the promotion policy of nationalised banks. A look at the promotion list for the last few years will show that the Dhaka-based officers have a big advantage over the officers posted in the mufassil areas. A few officers from the mufassil areas are, of course promoted.

Another anomaly in promotions is that officers with banking diploma are given undue advantages over non-diploma holders. Of course diploma in banking is an extra qualification for bank officials but that should not be given too much leverage. Officers with banking diploma may be given seniority of one or two years over the non-diploma holders. But cases of non-diploma officers with good service records should not be brushed aside simply on that pretext.

Ministry of Finance should lay down a clear policy on promotion to be followed by nationalised banks and devise a modus operandi for its implementation. Otherwise silent but efficient bank officers will continue to suffer at the hands of whimsical or opportunist bank management.

Saleh Ahmed Chowdhury  
Dhaka Cantonment,  
Dhaka.

## OPINION

## Car-Rent and Taxi Service

M M Ahmad

In Dhaka when the market is there?

While the rent-a-car service supplements the metered taxi service, the continued absence of such a standard taxi service, at least in metropolitan Dhaka, raises suspicion in the public mind about manipulation. If the government is keen to enforce the installation of meters in all types of taxis, then the scheme can be implemented in public interest.

For thirty years I have been reading correspondence in these columns about the introduction of metered taxis, but the authority is keeping mum over the issue. At least the government can enlighten the public on this evasive attitude.

Now with free market economy, the administration may encourage private/foreign investment in such a project. BPC, the tourist agency is also keeping quiet, and at the same time drumming about attracting more foreign tourists!

How long the public will be at the mercy of a few private car rental groups? Right now, 500 metered 4-wheeler taxi cabs could do a roaring business in Dhaka, sending the baby taxis (3-wheelers) scampering to face the competition. Can we hear from these taxi associations why they do not press the government for the compulsory installation of meters? They should understand the public psychology why meters could bring more business.

There is something wrong somewhere at policy-making stage.